

ORIGINAL



Re: Rate Cases E-01575A-15-0312

July 12, 2016

RECEIVED

Dear Commissioners Little, Burns, Stump, Forese and Tobin,

2016 JUL 12 A 10:10

I am writing to voice my opposition to Sulphur Springs Electric Cooperative's (SSVEC) request for a rate increase. I have had a solar array since October 2011.

AZ CORP COMMISSION
DOCKET CONTROL

I have calculated my power consumption and usage over four years for which I have complete annual records from 1/9/2012 to 1/10/2016. For simplicity, I have not included miscellaneous surcharges, adjustments, and taxes, or the early part of the 4 year phase-in period. I believe that these comparisons indicate the anti solar bias in the proposed rates and suggest that these rate increases as submitted be refused. Included below, are calculated rates for current and proposed rate structure for basic residential service and for solar customers "grandfathered" (prior to 4/15/2015), and "new" solar customers (after 4/15/2015).

Basic Data used to calculate comparisons:

Comparisons of current and proposed rates are on page 2.

Date Read	Meter read 01/09/12	Meter read 01/10/16	4 year total KWH	Monthly Average KWH	
Meter Del to Home	1168	15947	14779	307.896	(power delivered FROM SSVEC grid to home)
Meter to Grid	1112	21163	20051	417.729	(generated - power TO SSVEC grid)
Total Array Gen	1669	30542	28873	601.521	Total production of solar array (includes both power sent to Grid, and use during production not measured by meter)
Total Home Use			23601	491.688	(power consumed in home : Partial solar plus SSVEC supplied)
Excess generated			5272	109.833	(Total produced by solar array minus total consumption)

Stated monthly fixed cost of connection	\$80.24
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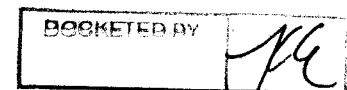
Wholesale rate (Avoided Cost)	\$0.0258
Current rate / KWH	\$0.1260
Proposed New rate Standard residential	\$0.1020
Proposed New Solar rate	\$0.0712
Proposed Grandfathered Solar rate	\$0.1260
Current Base Rate (all classes)	\$10.25
Proposed Base rate Standard	\$25.00
Proposed Base rate Solar Customers	\$50.00
Solar meter Charge	\$2.70

Grandfather cut-off	04/15/15
My system installed	10/17/11

Arizona Corporation Commission

DOCKETED

JUL 12 2016



Comparisons of different rates based on my average monthly usage, current and proposed monthly rates:
 Miscellaneous fees and tax not included Based on my usage from 1/9/2012 to 1/10/2016

Present SSVEC rates:

Bill assuming NO solar at current rates

PRESENT Bill using my 4 year average monthly values

\$61.95 Power Consumed

\$10.25 Base Charge

PRESENT

NO Solar

\$72.20

\$72.20

Note that the current charges for an ordinary household are less than the \$80.24 that SSVEC now claims is the fixed cost to deliver power, indicating that SSVEC has greatly overestimated fixed costs.

PRESENT Bill using my 4 year average monthly values

\$0.00 Power Consumed

\$10.25 Base Charge

\$2.70 Meter Charge

-\$2.83 Credit for excess power generated

PRESENT

WITH Solar

\$10.12

\$10.12

Compare this value with that under the proposed "grandfathered" rate increase.

Proposed SSVEC rates:

PROPOSED Bill using my values

With NO Solar

\$50.15 Power Consumed

\$25.00 Base Charge

PROPOSED

NO Solar

\$75.15

\$75.15

Note that this would be less than the \$80.24 that SSVEC claims is the fixed cost to deliver power, indicating that SSVEC has greatly overestimated fixed costs.

PROPOSED Bill using my values

With NEW Solar after 4/15/15

\$21.92 Power from SSVEC Consumed

\$50.00 Base Charge

\$2.70 Meter Charge

-\$10.78 Credit for excess power generated

PROPOSED

NEW Solar

\$63.84

\$63.84

Note that the cost for "New" solar is only \$11.31 less than if no solar was installed at all. This is a serious disincentive for the solar industry, and would prevent ANY new solar installations. SSVEC has been advertising their intention to make these changes since last year, and have already done great damage to those with an interest in solar, in a state that is highly suited for solar power.

PROPOSED Bill using my values

With "Grandfathered" solar (before 4/15/15)

\$0.00 Power Consumed

\$50.00 Base Charge

\$2.70 Meter Charge

-\$2.83 Credit for excess power generated

PROPOSED

Grandfathered

\$49.87

\$49.87

While the amount for "grandfathered" solar rate is still lower than other classes of residential customers, the dollar amount is still almost five times my current budgeted amount. As a retired person that is quite beyond my expectations when I purchased my solar system for a considerable amount of money. These rates would greatly extend the time when I will break even on that purchase. In addition, any power from SSVEC over that produced by my solar array would be at a higher rate than that of any of the other classes of residential customers. Doubling of the base charges proposed for all other customers is a betrayal of an implied contract with SSVEC.

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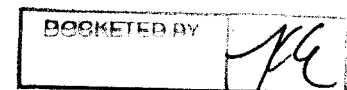
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In conclusion:

I will say that I was pleased with the help and advice provided by SSVEC when I purchased and installed my system, although I now believe that SSVEC's current behavior with this rate case is an assault on Arizona's economy, and an assault on the environment as well. Perhaps they have changed their ways, or have not considered what they are doing by following the large for profit companies.

It appears that SSVEC's calculations for monthly fixed costs for a residential electrical service are somewhat in doubt. The fact that both the present and proposed rates for a non-solar account which I calculated, were smaller than SSVEC's \$80.24 statement of fixed costs, casts doubt on the validity of the estimate. If only fixed costs were covered by this amount, the cost per KWH would presumably be in addition to this amount. A different estimate of \$71.89 was previously given on an undated "Important Notice to Sulphur Springs Valley Electrical Cooperative Members". Unfortunately, it seems that there isn't a way to verify the values in the "black box" of the SSVEC statements.

The proposed monthly cost of a "new" solar installation using my 4 year average data is only \$11.31 less than for a non-solar residence with the same usage. It appears that SSVEC wants to guarantee that no further DGs (Distributed Generation - Solar and wind) be installed. The \$50.00 base rate applies for all solar and wind installations, both New and "Grandfathered". This is discriminatory, when all non-solar residences would pay a \$25.00 base rate. SSVEC, while claiming to promote fairness in adjusting rates, has certainly failed in this instance.

In my own case, my monthly power bill would increase almost 5 fold with the new rate structure. I resent that solar owners are being singled out to pay greatly inflated base charges that are twice that of other customers. In addition, power consumption over that produced by the solar array would be charged at the highest residential rate, with other rate classes being less. The time when I will have recovered my initial cost will be greatly extended. I believe that while rates may be expected to increase over time, SSVEC has violated the spirit of an implied contract made when I purchased my system.

I hope that you will vote against this highly unfair rate request.

Sincerely,



James W. Ebert
5333 S Calle Metate
Sierra Vista, AZ 85650

520-378-3333

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